



Missouri Department of Natural Resources Energy Center

MISSOURI ENERGY BULLETIN

June 9, 2005

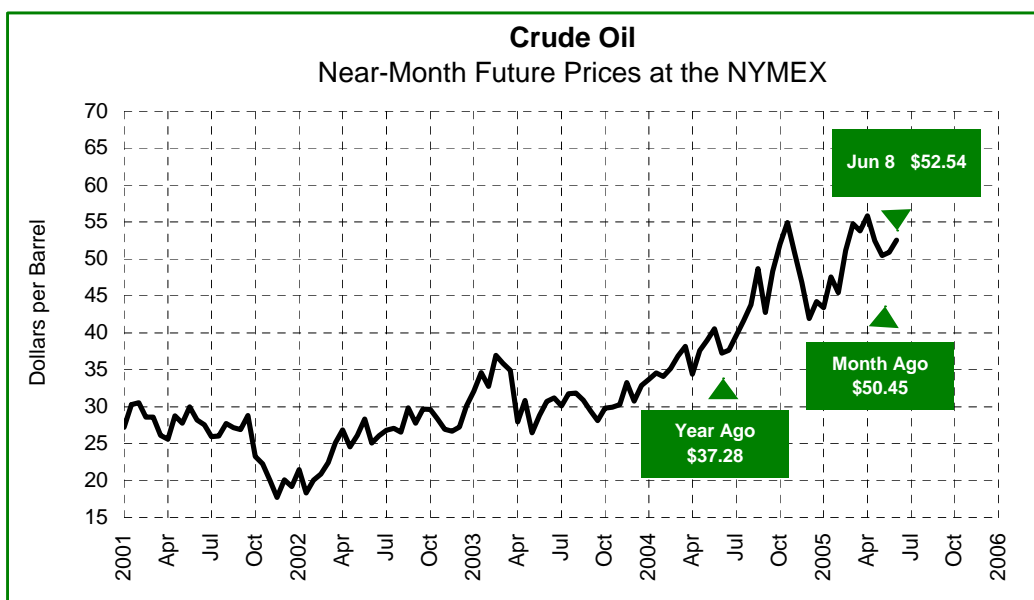
Crude Oil

On June 8, NYMEX crude oil futures settled at \$52.54, an increase of \$2.09 per barrel compared to last month and \$15.26 or 41% higher compared to this time last year.

Crude Oil - Near Month Future Prices (dollars per barrel)

	<u>06-08-05</u>	<u>05-11-05</u>	<u>change</u>	<u>06-08-04</u>	<u>change</u>
NYMEX	\$52.54	\$50.45	up 4%	\$37.28	up 41%

- NYMEX futures crude oil prices settled at \$52.54 per barrel on June 8 in response to a decline in U.S. commercial crude stocks and crude oil imports for the week ending June 3. The market has been very volatile since the last week of May due to low inventories of distillates including heating oil to meet the 2005-2006 winter heating season and growing U.S. demand for motor gasoline.
- As of the week ending June 3 commercial supplies of crude oil decreased by 3 million barrels to 330.8 million barrels. This is 28.7 million barrels or 9 percent higher than at this time last year. This is only the third time in seventeen weeks that domestic supplies have fallen. Lower crude imports and continued strong utilization rates by refiners accounted for the loss in crude oil supplies.



- According to EIA's June 7 *Short-Term Energy Outlook*, U.S. crude prices are projected to average \$53 from July through September and remain above \$50 per barrel for the rest of 2005.

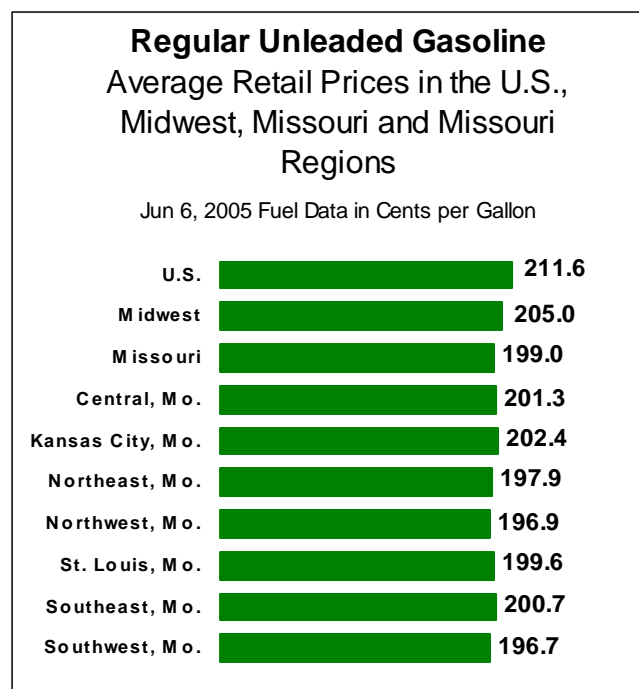
Transportation Fuels

On June 6, Missouri's average retail price for regular unleaded gasoline was \$1.99 per gallon, an increase of less than \$0.01 per gallon compared to last month and up \$0.13 from last year at this time.

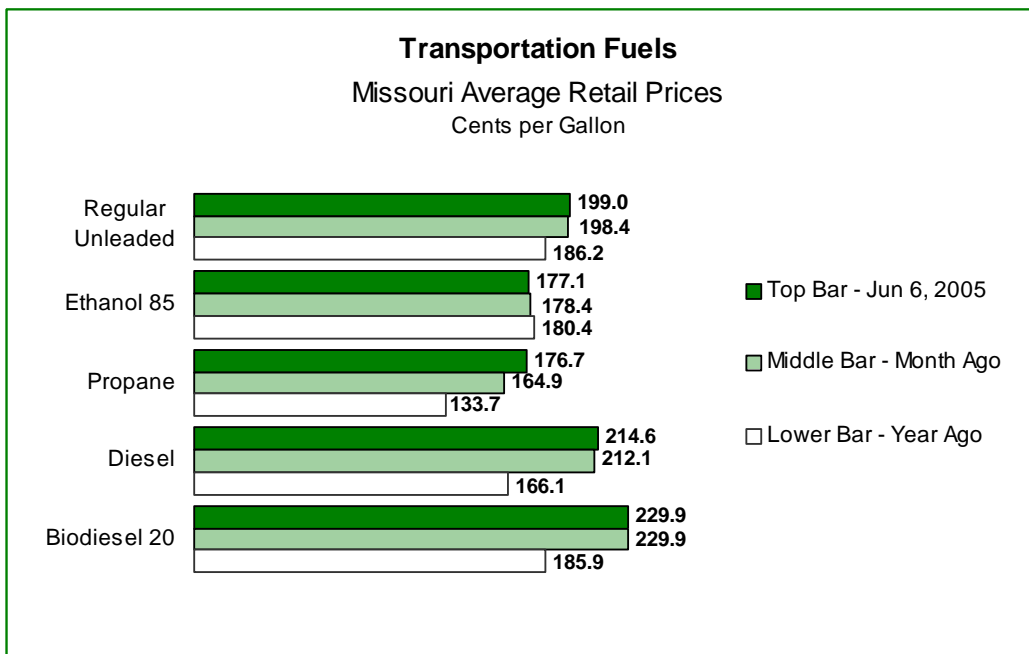
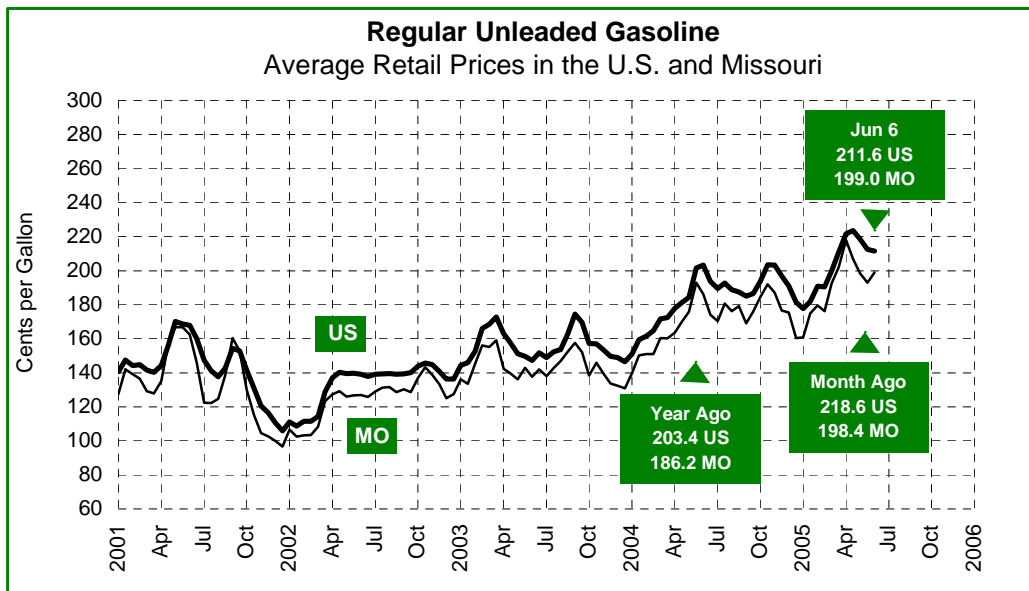
<i>Regular Unleaded Gasoline - Retail Prices (cents per gallon)</i>					
	<u>06-06-05</u>	<u>05-09-05</u>	<u>change</u>	<u>06-07-04</u>	<u>change</u>
US	211.6	218.6	down 3%	203.4	up 4%
Missouri	199.0	198.4	up 1%	186.2	up 7%

<i>Diesel Fuel - Retail Prices (cents per gallon)</i>					
	<u>06-06-05</u>	<u>05-09-05</u>	<u>change</u>	<u>06-07-04</u>	<u>change</u>
Missouri	214.6	212.1	up 1%	166.1	up 29%

- Retail gasoline prices in Missouri continue to track just below \$2 per gallon. On June 6, Missouri's average retail price for regular unleaded gasoline was reported at \$1.99 per gallon, an increase of less than \$0.01 per gallon last month and \$0.18 lower than the \$2.17 per gallon record set on April 4. U.S. prices also are trending lower at \$2.12 per gallon, down \$0.07 from last month and \$0.12 from the \$2.24 per gallon record set on April 18.



- On June 6, U.S. retail diesel fuel prices reportedly increased 1.9 cents during the prior week to \$2.23 per gallon. Missouri's average retail diesel price was \$2.15 per gallon, an increase of 2.5 cents from last month but still 48.5 cents per gallon or 29 percent higher compared to this time last year.
- According to the EIA, U.S. gasoline prices in 2005 are projected to remain high, at an expected average of \$2.17 per gallon for the April to September summer season, or 27 cents above last summer. U.S. average retail gasoline prices are expected to remain above \$2 per gallon on a monthly basis throughout 2005.



Motor Gasoline - Total Stocks (millions of barrels)					
	06-03-05	05-06-05	change	06-04-04	change
US	216.6	213.7	up 1%	206.4	up 5%

- U.S. gasoline supplies for the week ending June 3 decreased 0.1 million barrels from the prior week to 216.6 million barrels – well within the 5-year average range. This is 10.2 million barrels higher than this time last year. U.S. gasoline imports the week ending June 3 fell 0.2 million barrels per day to 0.8 million barrels per day compared to 1 million barrels per day imported for the same period last year.
- U.S. gasoline production declined by 0.1 million barrels per day to 9 million barrels per day while demand was virtually unchanged at 9.45 million barrels per day. On a four-week average, demand is up 2.4 percent from a year ago.

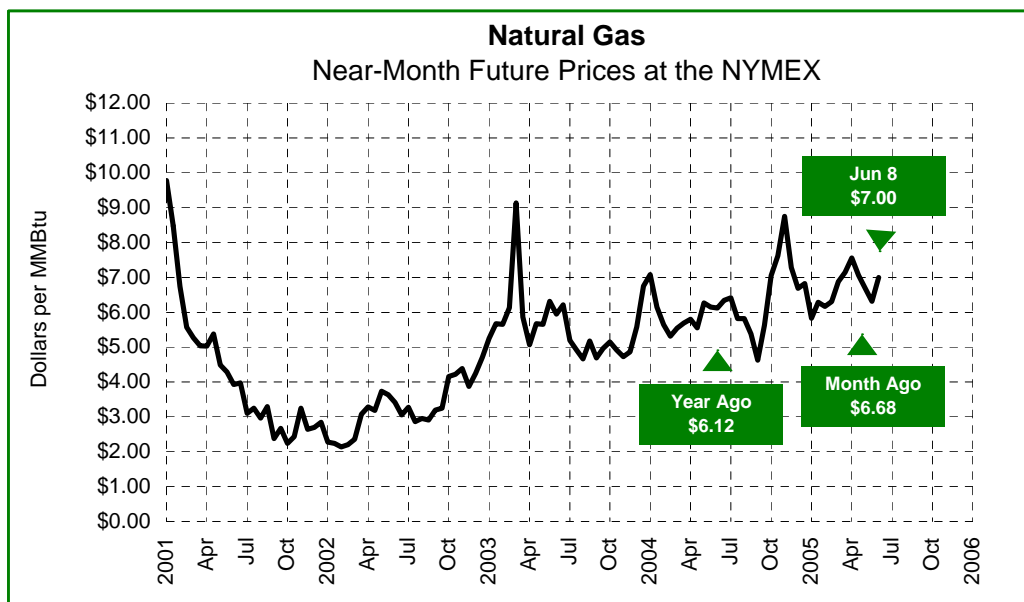
Natural Gas

Approximately 56 percent (1,261,397) of Missouri households use natural gas to heat their homes. Natural gas is also used to produce goods and electricity.

On June 8, natural gas futures closed at \$7.00 per MMBtu, an increase of \$0.32 since last month and \$0.88 or 14% higher than this time last year.

Natural Gas - Near Month Future Prices (dollars per mmbtu)					
	<u>06-08-05</u>	<u>05-11-05</u>	<u>change</u>	<u>06-08-04</u>	<u>change</u>
NYMEX	\$7.00	\$6.68	up 5%	\$6.12	up 14%

- According to the EIA, natural gas spot prices at most market locations in the Lower 48 States increased \$0.38 to \$1.28 per MMBtu due to higher demand for electricity for cooling purposes with the temperatures warming across the country.
- According to the EIA *Weekly Natural Gas Storage Report*, working gas in storage was 1,890 Bcf as of Friday, June 3, 2005. The current storage level is 20.2 percent above the 5-year average and the second highest level for this week in the weekly storage data from 1994 to 2004. Net additions to storage were about 13 percent above the 5-year average and about 12 percent above last year's addition at this time.



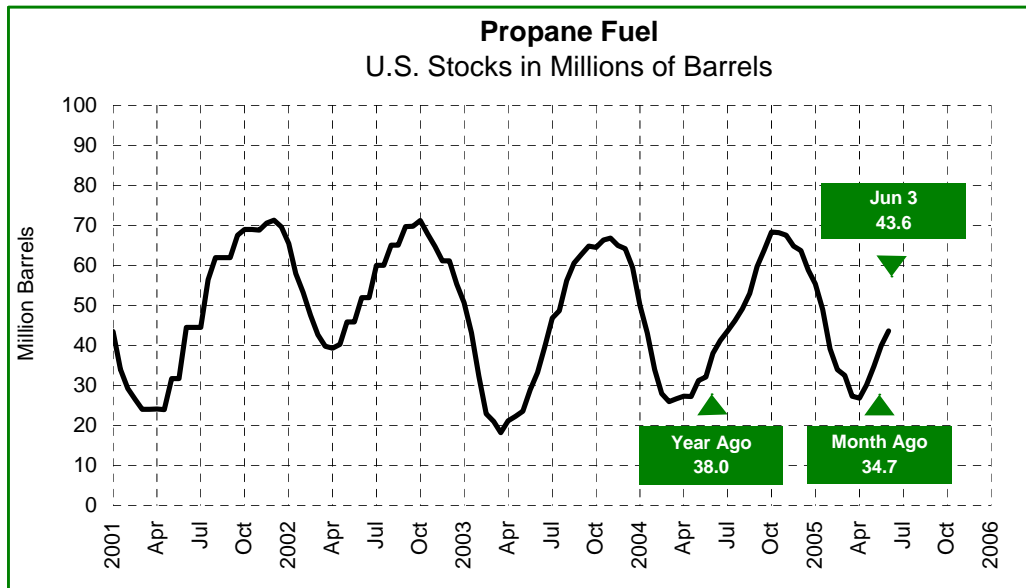
Propane

Approximately 13 percent (293,803) of Missouri households heat with propane, which is also used to support commercial operations, produce goods, dry grain harvests and fuel vehicles.

Missouri's average retail propane price was \$1.41 per gallon on June 6, down \$0.04 from a month ago, but \$0.25 or 22 percent higher than a year ago.

Propane - Residential Prices (cents per gallon)					
	<u>06-06-05</u>	<u>05-09-05</u>	<u>change</u>	<u>06-07-04</u>	<u>change</u>
Missouri	141.0	145.0	down 3%	115.8	up 22%

- U.S. propane supplies increased 1.4 million barrels, placing the nation's propane supplies at an estimated 43.6 million barrels as of June 3, 2005. Midwest supplies grew by 0.2 million barrels to 14.7 million barrels. Midwest supplies are 0.7 million barrels or 5 percent lower than the 15.4 million barrels reported at this time last year. U.S. and Midwest supplies of propane remain near the upper boundary of the average range.



Missouri Energy Outlook – Summer 2005

The Missouri Energy Outlook, an energy resource analysis reviewing prices and availability of energy in Missouri over the summer months will be released in June by the Missouri Department of Natural Resources' Energy Center. The Missouri Energy Outlook will be available online at the department's Web site at <http://www.dnr.mo.gov/energy/energyoutlook.pdf>, or copies may be obtained by calling the Missouri Department of Natural Resources' Energy Center at (573) 751-3443 or the department toll free at (800) 361-4827.

The Missouri Energy Bulletin is distributed twice a month by the Missouri Department of Natural Resources, Energy Center. The Energy Center collects transportation and propane heating fuel prices from several retail providers located throughout the state. To preserve confidentiality, price data are averaged and reported by region. The Bulletin is a public resource made available to state government decision-makers, other interested individuals upon request and on-line at the Energy Center Internet address. The department thanks each of the following in helping to provide accurate, timely data on fuel supplies and prices: the U.S. Department of Energy's Energy Information Administration; the National Association of State Energy Officials; the St. Louis AAA Auto Club; regional state energy offices; and Missouri's energy retailers.

For more information, contact: MO Dept. of Natural Resources, Energy Center, P.O. Box 176, Jefferson City, MO 65102-0176; Phone: (573) 751-3443; Fax: (573) 751-6860; E-mail: energy@dnr.mo.gov; Web Address: www.dnr.mo.gov/energy/transportation/fb.htm